

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF PAUL A.) APPEAL NO. 07-A-2619
CURTIS from the decision of the Board of) FINAL DECISION
Equalization of Valley County for tax year 2007.) AND ORDER

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came for hearing on January 24, 2007, in Cascade, Idaho before Hearing Officer Steve Wallace. Board Members Lyle R. Cobbs, David E. Kinghorn and Linda S. Pike participated in this decision. Appellant Paul A. Curtis appeared. Assessor Karen Campbell, Chief Deputy Assessor Deedee Gossi, and Appraiser Charles Pickens appeared for Respondent Valley County. This appeal is taken from a decision of the Valley County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. RPM02720010060A.

The issue on appeal is the market value of a residential property.

The decision of the Valley County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$120,720, and the assessed value of improvements is \$369,290, totaling \$490,010. Appellant requests the land value be reduced to \$110,000, and the improvements' value be reduced to \$280,000, totaling \$390,000.

The subject property consists of .297 acres with a two-story single-family residence built in 1977, and substantially remodeled in recent years. The residence consists of 1,820 square feet and has four bedrooms, two baths, a large deck, and a two-car garage. A covered porch connecting the residence and garage was added in 2004. Subject is situated along the McCall Golf Course and enjoys a view of the course.

Appellant provided Multiple Listing Service (MLS) data for three residential property sales to establish subject's market value at \$390,000, or \$214 per square foot. The sales occurred between October 2003 and May 2005 and were located on the same street as subject. The May 2005 sale consisted of a newer residence on a .25 acre lot. The MLS estimated the residential living space was between 2,401 and 2,600 square feet. This property sold for \$377,700, or between \$145 and \$157 per square foot. No adjustments were offered to compensate for the dated sale.

Appellant also provided sales from 2007 and 2008 and four current MLS listings.

At hearing, Appellant stated the assessed land value was "pretty close to a fair price" based on recent sales of vacant lots on the McCall Golf Course. Appellant provided the sale prices of four Golf Course lots sold during 2006. The size of these lots was unavailable. The 2006 sale prices ranged from \$165,000 to \$199,000 per lot. For comparison, subject's assessed land value was \$120,720.

Respondent provided data from five comparable sales to support subject's assessed value. It was maintained sales from 2006 were the best indicators of market value as of January 1, 2007. The comparable sales occurred in 2006 and were located in subject's "general vicinity." The record did not include addresses, lot sizes, or residential square footage for these properties. The residences were built between 1982 and 2004. Sale prices ranged between \$375,000 and \$657,500. Price per square foot was unavailable. The 2007 assessed values were between \$376,540 and \$676,400. For comparison, the subject residence was built in 1982 and subject's total assessed value was \$490,010.

The County asserted Appellant's comparable sales were inapplicable because none occurred during the 2006 valuation period.

To establish subject's land value, Respondent provided the prices of four Golf Course lots sold in 2006. Sale prices ranged from \$122,040 to \$185,000 per lot. For comparison, subject's assessed land value was \$120,720.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following:

Idaho Code provides "All property within the jurisdiction of this state, not expressly exempted, is subject to appraisal, assessment and property taxation." I.C. § 63-203. Idaho Code further directs that "rules promulgated by the State Tax Commission shall require each assessor to find market value for assessment purposes of all property." I.C. § 63-208(1). For taxation purposes, Idaho requires property be valued at market value. I.C. § 63-201(10). The Idaho Administrative Code defines market value and accepted appraisal procedures:

01. Market Value Definition. Market value is the most probable amount of United States dollars or equivalent for which a property would exchange hands between a knowledgeable and willing seller, under no compulsion to sell, and an informed, capable buyer, under no compulsion to buy, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

03. Appraisal Procedures. Market value for assessment purposes shall be determined through procedures, methods, and techniques recommended by nationally recognized appraisal and valuation associations, institutes, and societies and according to guidelines and publications approved by the State Tax Commission.

IDAPA 35.01.03.217.01, .03, see also I.C. § 63-201(10) (emphasis added).

A property valuation for taxation purposes, as determined by an assessor, is presumed correct and the taxpayer has the burden of proof to show an entitlement to relief. *Merris v. Ada County*, 100 Idaho 59, 64, 593 P.2d 394, 399 (1979). Idaho Code provides “a preponderance of evidence shall suffice to sustain the burden of proof.” I.C. § 63-511(4).

The Board will grant relief where “the valuation fixed by the assessor is manifestly excessive, fraudulent or oppressive; or arbitrary, capricious and erroneous resulting in discrimination against the taxpayer.” *Roeder Holdings, L.L.C. v. Bd. of Equalization of Ada County*, 136 Idaho 809, 41 P.3d 237 (2001); *Merris*.

Respondent offered data from five comparable sales to support subject’s assessed value of \$490,010. All of the County’s comparable sales transpired in 2006. The comparable properties were graded the same as subject, shared the same residential condition rating, and were located in subject’s general vicinity. Although detailed information for each property was not in the record, the Board finds Respondent’s sales adequately supported subject’s 2007 assessment.

Appellant’s case was based on a comparison of comparable sales and MLS listings. However, none of Appellant’s comparable sales occurred in 2006. The most relevant sale transpired in May 2005. However, this property was significantly larger than the subject residence and was not time-adjusted to account for 2006 market conditions. At hearing, Appellant did not contest subject’s assessed land value.

In determining market value, Idaho Code requires:

All real, personal and operating property subject to property taxation must be assessed annually at market value for assessment purposes as of 12:01 a.m. of the first day of January in the year in which such property taxes are levied, except as otherwise provided. I.C. § 63-205(1).

Appellant claimed subject's assessment was excessive, but failed to demonstrate specific errors. The Board was not convinced Appellant's dated sales were indicative of subject's market value as of January 1, 2007. Comparable sales provided by Respondent were timely and reasonably supported subject's assessed value. Although the Board appreciates Appellant's frustration with the assessment process and fluctuating real estate market, we find subject's 2007 assessment was not arbitrary and Appellant did not demonstrate error by a preponderance of the evidence. Therefore, the decision of the Valley County Board of Equalization will be affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Valley County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

MAILED FEBRUARY 26, 2008